A **SURIA KLCC SDN BHD**

v.

MAKAMEWAH SDN BHD

B HIGH COURT SABAH & SARAWAK, KOTA KINABALU
STEPHEN CHUNG JC
[CIVIL SUIT NO: K22-22-2009]
21 MAY 2010

C ***TRADE MARKS:*** *Infringement - Registered trade marks - Course of trade - Likelihood of confusion and deception - Whether defendant used marks identical with registered trade marks - Whether misleading - Whether plaintiff suffered loss and damage - Whether business or goodwill affected - Re Pianotist Co's Application*

D ***TRADE MARKS:*** *Passing off - Goodwill - Misrepresentation - Course of trade - Likelihood of confusion and deception - Whether defendant used mark identical with registered trade marks - Whether misleading - Whether plaintiff suffered loss and damage - Whether business or goodwill affected*

E

The plaintiff was the registered proprietor of the trade marks 'Suria KLCC', 'Suria KLCC & Swirl device' and the 'Swirl device' ('the plaintiff's trade marks'). The plaintiff had found that the defendant had been using the name 'Suria Sabah' and/or a F 'swirl device' and/or 'Suria Sabah' & a 'swirl device' ('the defendant's trade marks') to advertise, promote, lease and manage the development and construction of a commercial complex. The plaintiff contended that since the defendant's trade marks were identical and in the alternative, so nearly resembled the plaintiff's G trade marks, the defendant had infringed and was passing off the plaintiff's trade marks as its own in the course of trade which was calculated to deceive and confuse.

Held (dismissing the plaintiff's claim with costs):

H

(1) An infringement occurs if a person, not being the owner of the trade mark, uses a mark which is identical with it or so nearly resembling it as is likely to deceive or cause confusion in the course of trade. (para 12)

I **(2)** The plaintiff did not have a monopoly or exclusive use of the word or name 'Suria' because it was a common word and not an inventive word. Even the plaintiff did not have the right to

the exclusive use of the letters 'KLCC' as stated in its certificate of registration. The protection given under the registrations are for the use of the words 'Suria' and 'KLCC' when they were used together to identify the trade name or business of the plaintiff and also when they were used together with the swirl device as a distinctive mark. (para 14)

(3) Applying the *Re Pianotist* test, phonetically 'Suria KLCC' and 'Suria Sabah' may have sounded and belonged to the same class or group. Looking at the marks of the defendant, the swirl device was used as the dot in the letter 'i' in the word 'Suria'. The swirl device was depicted behind the word 'Suria Sabah', not next to, above or below the words 'Suria Sabah' and looked more like coconut fronds which was different from the swirl device of the plaintiff. Although there were some similarities, the differences were in terms of their designs, letterings and the swirl devices used between the two marks. (para 16)

(4) When making the comparisons, a distinction should have been made between ordinary consumer goods and shopping malls. Comparing the two shopping malls, the evidence showed that they were different. 'Suria KLCC' is a high-end shopping mall which carries luxury and expensive brands catering to high-end shoppers who could afford those goods whereas 'Suria Sabah' carries goods and brands which cater more to the ordinary shoppers. Further, the geography or locality of the two shopping malls and the distance between them meant that members of the public in the two cities would not be deceived or confused. (para 17)

(5) The tort of passing off may be defined as conducting one's business in such a manner as to mislead the ordinary public into thinking that one's goods or services are those of another business. Confusion was not an ingredient of this common law action of passing off. The plaintiff had not proved that the defendant's acts and conduct amounted to misrepresentation in the course of trade which was calculated to injure the business or goodwill of the plaintiff. (para 19)

Case(s) referred to:

Erven Warnink BV v. J Townend & Sons (Hull) [1979] 2 All ER 927 ***(refd)***

Office Cleaning Services Ltd v. Westminster Window and General Cleaners, Ltd [1946] vol 174 LT 229 ***(refd)***

A *Re Pianotist Co's Application [1906] 23 RPC 774* ***(refd)***
Seet Chuan Seng & Anor v. Tee Yih Jia Food Manufacturing Pte Ltd [1994] 3 CLJ 7 SC ***(refd)***
Siow Chiang & Co Pte Ltd v. Tan Gin Lee [2006] 8 CLJ 629 HC ***(refd)***
Tohtonku Sdn Bhd v. Superace (M) Sdn Bhd [1989] 1 CLJ 1128; [1989] 2 CLJ (Rep) 575 HC ***(refd)***
B

Legislation referred to:
Trade Marks Act 1976, ss. 36, 38(1)

For the plaintiff - Roger Chin (Jacqueline Lee with him); M/s Chin, Lau Wong & Co
C *For the defendant - Datuk Douglas C Primus (Shireen Leandra Sikayun with him); M/s Lee & Thong*

Reported by Kumitha Abdul Majid

D

JUDGMENT

Stephen Chung JC:

E **[1]** The facts as agreed are as follows. The plaintiff is a company incorporated with an address at Lot 241, Level 2, Suria KLCC, Kuala Lumpur City Centre, 50088, Kuala Lumpur, Malaysia. The plaintiff is engaged *inter alia* in the business of leasing and managing a shopping centre and the provision of business and
F property management services.

[2] The plaintiff is and was at all material times the registered proprietor of the trade marks 'Suria KLCC' in Class 35 *vide* Registration No. 01008200, 'Suria KLCC' in Class 36 *vide* Registration No. 01008201, 'Suria KLCC & Swirl device' in Class
G 35 *vide* Registration No. 01008199, 'Suria KLCC & Swirl device' in Class 36 *vide* Registration No. 01008202, the 'Swirl device' in Class 35 *vide* Registration No. 01008198 and the 'Swirl device' in Class 36 *vide* Registration No. 01008203 ("the plaintiff's trade marks") in Malaysia, registered on 29 Jun 2001. It is agreed that
H the plaintiff's trade marks are and were at all material times valid and subsisting in Malaysia as of the date of registration and are enforceable throughout Malaysia by virtue of the Trade Marks Act 1976. The plaintiff has used and continues to use the plaintiff's trade marks in relation to its business of leasing and managing a
I shopping centre and providing business and property management services in Malaysia.

[3] The defendant is a company incorporated in Malaysia with an address at 2nd Floor, Yeng Ho Hong Building, Lok 50, Leila Road, Sandakan, Sabah 90000, Malaysia. The defendant is engaged *inter alia* in the business of investment in landed properties and property development.

[4] On or about 7 May 2008, the plaintiff found out that the defendant had started development and construction of a commercial complex which was being advertised, promoted, leased and managed by the defendant using the name 'Suria Sabah' and/or a 'swirl device' and/or 'Suria Sabah' & a swirl device' ('the defendant's trade marks').

[5] The plaintiff alleged that the defendant's trade marks are identical to the plaintiff's trade marks. Alternatively, the defendant's trade marks are so nearly resembling the plaintiff's trade marks that they are likely to cause confusion and deception in the course of trade amongst the trade and the public.

[6] On 3 July 2008, the plaintiff's solicitors Messrs Shearn Delamore & Co wrote to the defendant informing the defendant of its acts of infringement and passing off and requested that it ceased all acts complained of. The defendant replied through its solicitors Messrs Lee & Thong *via* a letter dated 29 July 2009 denying the allegations. The plaintiff's solicitors Messrs Shearn Delamore & Co sent another letter dated 15 September 2008 to the defendant's solicitors reiterating the acts of infringement and passing off by the defendant and demanded the defendant to cease and desist all acts complained of. No reply was received from either the defendant or its solicitors to this second letter.

[7] The defendant has since the commencement of this suit voluntarily ceased the use of the "Swirl" device and published a disclaimer that its "Suria Sabah" complex or project is not associated with any shopping complexes in Malaysia.

[8] The agreed isues for trial are:

(a) Whether the defendant by using the mark 'Suria Sabah' and/or a 'swirl device' and/or 'Suria Sabah & a swirl device' and/or 'Suria' with or without a geographical indicator such as Sabah and 'the defendant's marks' as part of its commercial complex constitute an infringement of the plaintiff's trade marks.

(b) Whether the defendant's marks are identical and/or so nearly resembling the plaintiffs trade marks they are likely to cause confusion and deception in the course of trade amongst the trade and the public.

(c) Whether the plaintiff has the exclusive use of the word 'Suria'; with or without a geographical indicator such as Sabah for services related to leasing and managing shopping complexes, or as a name for a shopping complex or mall.

(d) Whether since the date of registration of the plaintiff's trade marks, the plaintiff has expended substantial sums in advertisements and promotions of the various goods and/or services provided under the plaintiff's trade marks. If so, whether by virtue of the extensive promotions, advertisements and revenue generated, the plaintiff has acquired substantial goodwill and reputation in the plaintiff's business in respect of the plaintiff's trade marks as used in relation to provision of leasing and management services of a shopping centre and provision of business and property management services and the plaintiff's trade marks have become distinctive of the plaintiff and has come to be associated by the public with the plaintiff and with no other party.

(e) Whether the defendant had benefited from the advertisements and promotions done in relation to the goods and services of the plaintiff.

(f) Whether the acts and conduct of the defendant as referred to in statement of claim are at all material times calculated to deceive and mislead the public into believing that the defendant's business is that of the plaintiff or is in some way associated, connected with or originates from the plaintiff and therefore constitute an act of passing off by the defendant of its services as and for those of the plaintiff.

(g) Whether as a result of the acts of the defendants, the plaintiff have and will suffer loss and damage to their trade, goodwill and reputation.

[9] Mr Muralidaran, the General Manager-Centre Management of the plaintiff, said that the plaintiff uses the word mark 'Suria KLCC' and the swirl device as its registered marks. He said the word 'SURIA' means the sun and it is also defined in Kamus Dewan as 'Matahari' in Bahasa Malaysia to mean the sun and all Malaysians would understand that Suria carries this meaning. The

swirl device is composed of a repeated stylized letter "s" and is inspired by the sunflower which compliments the word 'Suria'. The plaintiff's registered trade marks are exhibited at pp. 1-7 of BOD1.

[10] It is not disputed that the plaintiff is the registered proprietor of the trade marks 'Suria KLCC', three different configurations of 'Suria KLCC with the swirl device' and the 'swirl device' under Class 35 and Class 36 of the Trade Marks Act. Section 36 of the Trade Marks Act 1976 provides that the fact that a person is registered as proprietor of the trade mark shall be *prima facie* evidence of the validity of the original registration of the trade mark. It is not an issue in this trial whether the trade marks are registrable or otherwise and in any event the defendant did not raise any objection to the registration of the plaintiff's registered trade marks. The plaintiff's trade marks under Class 35 are *inter alia* in respect of business and commercial management assistance and consultancy; business management of shopping centres, commercial complexes, retail outlets, foodcourts, bazaars; organization of exhibitions and so on. The plaintiff's trade marks under Class 36 *inter alia* are in respect of real estate appraisal and evaluation and real estate and property management. The trade marks are used in relation to its businesses.

[11] It is also not in dispute that since 1997, the plaintiff manages and leases a premium shopping mall known as the Suria KLCC situated at the Kuala Lumpur City Centre comprising of six levels of 330 specialty shops, three big anchor tenants and with 1.5.million square feet of gross floor area. Prior to and since its opening, the plaintiff has expended large sums to advertise and promote Suria KLCC as a high end shopping mall and a tourist destination in Malaysia. Over the years, millions of visitors and or shoppers have visited Suria KLCC and it has gained considerable brand name recognition as a shopping mall as a result. The plaintiff contended that the defendant in using the defendant's marks has infringed its trade marks and is passing off the plaintiff's trade marks as its own in the course of trade which is calculated to deceive and confuse. The defendant denied these allegations. Section 38(1) of the Act provides that "a registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or registered user of the trade mark, uses a mark which is identical with it or so nearly resembling it as is likely to deceive or cause confusion in the course of trade in relation to goods or services in respect of which the trade mark is registered ..."

[12] An infringement occurs if a person, who not being the owner of the trade mark uses a mark which is identical with it or so nearly resembling it as is likely to deceive or cause confusion in the course of trade. It is a fact that the defendant is not the registered proprietor or permitted user of the plaintiff's registered trade marks. The test whether a mark is likely to deceive or cause confusion is laid down in *Re Pianotist Co's Application* [1906] 23 RPC 774 and applied in *Tohtonku Sdn Bhd v. Superace (M) Sdn Bhd* [1989] 1 CLJ 1128; [1989] 2 CLJ (Rep) 575. The 'tests' are in the following terms: "You must take the two words. You must judge them, both by their look and their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those good. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those marks are used in a normal way as a trade mark of the goods of the respective owners of the marks".

[13] According to Mr Tan Koon Yee who is the Chairman and Managing Director of the defendant, in choosing the name of his mall he chose the word 'Suria' because it is a common word and it means the sun. He decided to use the name 'Suria Sabah' because the shopping mall is situated in Sabah and the sun in Malaysia first rises in Sabah and therefore is most applicable to be used as the name of the shopping mall situated in Sabah. As for the logo for his shopping mall, he said he used eight rays to denote the rays of the sun. The eight rays that form the logo signify prosperity and incoming fortune. Hence, he said the rays are inwards, raking in good luck and wealth and the number eight is a lucky number in Chinese. The eight rays form a circle that represents the sun. He said that he is aware that the plaintiff's shopping mall also uses the word Suria. The defendant's marks are exhibited at pp. 8-23 of BOD1. The defendant contended that its marks are not the same as and different from the plaintiff's trade marks.

[14] The word 'suria' is a common or generic word and is used quite commonly as a name for businesses in Malaysia including such names as Suria FM for a radio station, Suria Beach Resort Pangkor or Suria Beach Resort or Suria Cherating Beach Resort for hotels and beach resorts, Suria Stonor or Suria Jelatek Residence for serviced apartments or condominiums, or Suria Capital Holdings Bhd or Suria Agrotech or Suria Agency for businesses.The searches and list of names which use the word

'Suria' as part of their business or address in Malaysia are exhibited at pp. 771-802 of BOD4. It is apparent the plaintiff does not have a monopoly or exclusive use of the word or name 'Suria' because it is a common word and not an inventive word. Even the plaintiff does not have the right to the exclusive use of the letters 'KLCC' as stated in its certificate of registration for trade mark no. 01008199. The protection given under the registrations are for the use of the words 'Suria' and 'KLCC' when they are used together to identify the trade name or business of the plaintiff and also when they are used together with the swirl device as a distinctive mark. The evidence showed that the plaintiff is also managing two other shopping malls known as Alamanda Shopping Center in Putrajaya and Mesra Mall in Terengganu. It is pertinent to note that these shopping malls are not known as 'Suria Putrajaya' or 'Suria Terengganu' or use the word 'Suria' as part of their name.

[15] There is no shopping malls chain in Malaysia which uses the word 'Suria' as part of its names such as 'Suria KLCC', 'Suria Putrajaya', 'Suria Terengganu' and 'Suria Sabah' so that the public can easily identify 'Suria Sabah' as either being part of this chain of shopping malls or being related to or associated with this chain of shopping malls. In the given illustration, the defendant by using the name or mark 'Suria Sabah', when it is not part of the chain, is likely to deceive or cause confusion in the course of trade or is misrepresenting itself as being part of this chain which is calculated to injure the business or goodwill of the chain. Otherwise, the name 'Suria KLCC' itself does not have any secondary meaning.

[16] Applying the Re Pianotist test, phonetically 'Suria KLCC' and "Suria Sabah' may sound and belong to the same class or group. But so do 'Suria Agency' or 'Suria Agrotech'. Looking at the marks of the defendant exhibited at p. 8 of BOD1, the swirl device is used as the dot in the letter 'i' in the word 'Suria'. The following words also appear in the defendant's mark "The Premier Shopping Mall" underneath the words 'Suria Sabah'. These words are not in the plaintiff's trade marks. At p, 19 of BOD1, the swirl device is depicted behind the word 'Suria Sabah', not next to, above or below the words 'Suria Sabah' and looks more like coconut fronds and different from the swirl device of the plaintiff. Comparing the registered trade marks of the plaintiff with the marks of the defendant, although there are some similarities, there are differences between the two marks in terms of the designs,

letterings and swirl device used in the two marks. Putting the plaintiff's trade marks and the defendant's marks next to each other, they look quite different to each other. The swirl device of the plaintiff looks like a circle of elongated fingers of a female while the defendant's swirl device looks like coconut fronds viewed from the top (as seen at p. 19 of BOD1).

[17] When making the comparisons, a distinction should be made between ordinary consumer goods and shopping malls. The ordinary person in the street may not be able to differentiate between genuine and counterfeit goods or goods whose get-up, packaging and so on are so identical or nearly resembling the original or trade-marked goods that he or she is likely to be deceived or confused. In shopping malls, shoppers visit the malls either to buy or window-shop because of the shops, brands, types of goods, ambience, experience and location of the mall and will not be easily deceived or be confused. To those in the trades, there are even less chance of confusion. Comparing the two shopping malls, the evidence showed that they are different. 'Suria KLCC' is a high-end shopping mall which carries luxury and expensive brands catering to high-end shoppers who can afford these goods whereas 'Suria Sabah' carries goods and brands which cater more to the ordinary shoppers. Further, the geography or locality of the two shopping malls and the distance between them meant that members of the public in the two cities would not be deceived or be confused.

[18] The plaintiff carried out a market survey to show that the use by the defendant of the mark 'Suria Sabah' has caused confusion among shoppers at Suria 5 KLCC that the defendant's shopping mall was or might be related to the plaintiff's shopping mall. The plaintiff's survey was carried out after the plaintiff has instituted this suit against the defendant. The defendant carried out similar market surveys in Kuala Lumpur and Kota Kinabalu subsequently. There is little evidentiary value in these surveys, depending on the questions framed and asked of the participants, where the surveys are carried out, the demographics of the participants and so on. As expected, the plaintiff's survey showed that there was some confusion among the participants of the survey regarding the relationship between the plaintiff's shopping mall and the defendant's shopping mall while the defendant's survey showed that there was little correlations between them.

[19] The tort of passing off may be defined as conducting one's business in such a manner as to mislead the ordinary public into thinking that one's goods or services are those of another business. Five characteristics must be present in order to create a valid cause of action of passing off. There must be a misrepresentation made by a trader in the course of trade to prospective customers of his or ultimate consumers of goods or services supplied by him which is calculated to injure the business or goodwill of another trader and which cause actual damage to a business or goodwill of the trader by whom the action is brought: *Erven Warnink BV v. J Townend & Sons* (Hull) [1979] 2 All ER 927, *Seet Chuan Seng & Anor v. Tee Yih Jia Food Manufacturing Pte Ltd* [1994] 3 CLJ 7, *Siow Chiang & Co Pte Ltd v. Tan Gin Lee* [2006] 8 CLJ 629. Confusion is not an ingredient of this common law action of passing off. In the case of *Office Cleaning Services Ltd v. Westminster Window and General Cleaners, Ltd* [1946] vol 174 LT 229, the respondent who used the name of Office Cleaning Association was held not to lead to the belief that the respondent's business name was the business name of the appellant who used the name of Office Cleaning Services, Ltd. In the absence of fraud, where descriptive words are used in a trade name, a small differentiation will suffice to defeat a plaintiff's claim of passing off: *Siow Chiang & Co Pte Ltd v. Tan Gin Lee* [2006] 8 CLJ 629. Based on the evidence, the plaintiff has not proved that the defendant's acts and conduct amounted to misrepresentation in the course of trade which is calculated to injure the business or goodwill of the plaintiff and which cause actual damage to its business.

[20] For the reasons given above, I answer questions no. 1, 2, 3, 5, 6 and 7 in the negatives and as a result, it is not necessary to answer question 4. I dismiss the plaintiff's claim against the defendant with costs, if not agreed to be taxed.